

192 FERC ¶ 61,205
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: David Rosner, Chairman;
Lindsay S. See and Judy W. Chang.

Cordova Energy Company LLC

Docket No. IN25-8-000

ORDER APPROVING STIPULATION AND CONSENT AGREEMENT

(Issued September 3, 2025)

1. The Commission approves the attached Stipulation and Consent Agreement (Agreement) between the Office of Enforcement and Regulatory Accounting (Enforcement)¹ and Cordova Energy Company LLC (Cordova Energy). This order is in the public interest because the Agreement resolves on fair and equitable terms Enforcement's investigation (Investigation) under Part 1b of the Commission's regulations, 18 C.F.R. Part 1b (2025). The Investigation examined whether Cordova Energy, through its offers into PJM and its submissions of Generating Availability Data System (GADS) data in PJM's electronic GADS submission program (eGADS), violated the PJM Interconnection, L.L.C. (PJM) Open Access Transmission Tariff (Tariff), PJM's Amended and Restated Operating Agreement (Operating Agreement), or Commission regulations from January 1, 2020 to September 30, 2023 (Relevant Period).

2. Cordova Energy stipulates to the facts in Section II of the Agreement and admits the violations in Section III of the Agreement. Cordova Energy agrees to: (a) pay a civil penalty of \$370,000 to the United States Treasury; (b) disgorge a total of \$1,964,436, plus interest as set forth below; and (c) provide compliance monitoring to Enforcement as provided in the Agreement.

I. Facts

3. Cordova Energy owns the Cordova Energy Center (Cordova), which is a combined-cycle gas turbine power plant located in Rock Island County, Illinois. Cordova is a Capacity Resource in PJM, consisting of two natural gas-fired combustion turbine units and one steam turbine unit.

¹ Effective August 25, 2025, the Office of Enforcement was renamed the Office of Enforcement and Regulatory Accounting. Because the Agreement was signed before the name change, it reflects Enforcement's previous name.

4. PJM administers a capacity market in which eligible resources participate in a series of auctions to provide a certain number of megawatts of capacity for a delivery year in the future. A resource whose capacity clears these auctions commits to certain obligations, as set forth in the PJM Tariff and PJM Operating Agreement, in exchange for a monthly capacity payment.

5. One obligation, referred to as the “must offer requirement,” requires that PJM capacity resources offer available capacity into PJM’s energy markets. Specifically, pursuant to Attachment K, Appendix, § 1.10.1A(d) of the PJM Tariff, a capacity resource must offer into the PJM energy markets its full Installed Capacity (ICAP) equivalent of its cleared Unforced Capacity (UCAP) commitment, unless the resource declares an outage or derate.²

6. In January 2022, Cordova had mechanical issues that necessitated a maintenance outage and a derating of Cordova’s energy offers by 20 MW. Cordova resolved the maintenance issue by March 28, 2022, but inadvertently continued to derate energy market offers for Cordova by 20 MW until May 19, 2022. As a result, on 22 days from March 28 to May 18, 2022 (Derated Offer Dates), Cordova’s energy offers into PJM were approximately 20 MW lower than its committed ICAP of 474.6 MW.

7. eGADS is an optional service PJM provides for entities to report GADS data. GADS is an industry software program used by the North America Electric Reliability Corporation (NERC) to collect information about the performance, reliability, and availability of generating units. GADS reporting, which is mandatory for certain NERC-registered entities, requires submitting specific GADS codes that provide the reason a resource is not fully available. During the Relevant Period, GADS reports were used to determine a generator’s UCAP value in PJM.

8. During the Relevant Period, Cordova Energy failed to submit complete and accurate GADS data to PJM, through eGADS, for 2,412 hours. These errors resulted in a lower calculated Equivalent Forced Outage Rate of demand (EFORD), which impacted the amount of capacity that Cordova was able to sell for the 2021/2022 to the 2025/2026 delivery years.

9. Cordova Energy’s inaccurate or missing eGADS data submissions resulted in capacity market overpayments of \$1,668,874 for the 2021/2022 to the 2024/2025

² UCAP is the “megawatt value of a capacity resource in the PJM Capacity Market. For generating unit[s], the unforced capacity value is equal to installed capacity of unit multiplied by (1 - unit’s EFORD).” See “PJM Glossary,” *PJM*, <https://www.pjm.com/Glossary.aspx> (accessed April 24, 2025). ICAP is a “megawatt value based on the summer net dependable capability of a unit and within the capacity interconnection right limits of the bus to which it is connected.” *Id.*

delivery years and will result in a capacity market overpayment of \$295,562 during the 2025/2026 delivery year.

10. Enforcement opened the Investigation upon receiving a referral from the PJM Independent Market Monitor (IMM).

11. Cordova Energy fully cooperated with Enforcement during the Investigation.

II. VIOLATIONS

12. Enforcement determined that, during the Relevant Period, Cordova Energy violated provisions of the PJM Tariff and 18 C.F.R. §§ 35.41(a) and (b) (2025) in connection with its energy offers and eGADS submissions to PJM.

13. PJM Tariff, Attachment K, Appendix, § 1.10.1A(d) states that, “Market Sellers owning or controlling the output of a Generation Capacity Resource that is committed as a Capacity Resource [] and that has not been rendered unavailable [] shall submit offers for the available capacity of such Generation Capacity Resource. [] Such offers shall be based on the ICAP equivalent of the Market Seller’s cleared UCAP capacity commitment....” Schedule 1, § 1.10.1A(d) of the PJM Operating Agreement uses identical language to impose the same requirements.

14. Enforcement determined that Cordova Energy violated Attachment K, Appendix, § 1.10.1A(d) of the PJM Tariff and Schedule 1, § 1.10.1A(d) of the PJM Operating Agreement. As a Capacity Resource, Cordova did not meet its daily ICAP Must-Offer obligations on the Derated Offer Dates between March 28 and May 18, 2022, after it had resolved the mechanical issues but did not remove the 20 MW derate that was reflected in Cordova’s offer curves submitted to PJM.

15. The Commission’s Market Behavior Rule on Unit Operation, 18 C.F.R. § 35.41(a), requires that “Where a Seller participates in a Commission-approved organized market, Seller must operate and schedule generating facilities, undertake maintenance, declare outages, and commit or otherwise bid supply in a manner that complies with the Commission-approved rules and regulations of the applicable market.” Staff found that Cordova Energy, a Seller with market-based rate authority from the Commission, violated § 35.41(a) when it failed to offer its available capacity consistent with its ICAP Must-Offer obligations as set forth in the PJM Tariff and Operating Agreement on the Offer Dates between March 28 and May 18, 2022.

16. PJM Tariff, Attachment K, Appendix, § 1.7.4 provides that “In performing its obligations to the Office of the Interconnection hereunder, each Market Participant shall at all times (i) follow Good Utility Practice, (ii) comply with all applicable laws and regulations, (iii) comply with the applicable principles, guidelines, standards and requirements of FERC, NERC and each Applicable Regional Entity....”

17. Staff determined that Cordova Energy failed to properly submit GADS data in compliance with NERC requirements during the Relevant Period.

18. In addition, PJM Reliability Assurance Agreement (RAA) Schedule 11.3 of the PJM Tariff requires each owner of a Capacity Resource to submit “[a]ctual outage data for each month for Generator Forced Outages, Generator Maintenance Outages and Generator Planned Outages ... so that it is received by such date specified in the PJM Manuals.” Staff determined that Cordova Energy failed to properly submit forced and planned derates as directed by RAA Schedule 11.3 during the Relevant Period.

19. The Commission’s Market Behavior Rule on Communications, 18 C.F.R. § 35.41(b), requires that “A Seller must provide accurate and factual information and not submit false or misleading information, or omit material information, in any communication with the Commission, Commission-approved market monitors, Commission-approved regional transmission organizations, Commission-approved independent system operators, or jurisdictional transmission providers, unless Seller exercises due diligence to prevent such occurrences.” By finding that Cordova Energy violated the PJM Tariff and Operating Agreement in connection with the inaccurate offer curves submitted to PJM on Derated Offer Dates between March 28 and May 18, 2022 and its failure to submit complete or accurate data in eGADS to PJM during the Relevant Period, Enforcement also determined that Cordova violated 18 C.F.R. § 35.41(b).

III. Stipulation and Consent Agreement

20. Enforcement and Cordova Energy have resolved the Investigation by means of the attached Agreement.

21. Cordova Energy stipulates to the facts set forth in Section II and admits the violations described in Section III of the Agreement.

22. Cordova Energy agrees to pay a civil penalty of \$370,000 to the United States Treasury.

23. Cordova Energy agrees to pay \$1,964,436 in disgorgement to PJM plus interest as detailed in the Agreement.

24. Cordova Energy agrees to submit annual compliance monitoring reports to Enforcement for two years with a third year at Enforcement’s discretion.

IV. Determination of Appropriate Remedies and Sanctions

25. In recommending the appropriate remedy, Enforcement considered the factors described in the Revised Policy Statement on Penalty Guidelines,³ including that Cordova Energy cooperated with Enforcement during the Investigation.

26. The Commission concludes that the Agreement is a fair and equitable resolution of the matters concerned and is in the public interest, as it reflects the nature and seriousness of the conduct and recognizes the specific considerations stated above and in the Agreement.

27. The Commission also concludes that Cordova Energy's civil penalty is consistent with the Revised Policy Statement on Penalty Guidelines.⁴

28. The Commission directs Cordova Energy to make the civil penalty payment and disgorgement as required by the Agreement within ten (10) business days after the Effective Date of the Agreement. The Commission directs Cordova Energy to pay the balance of the disgorgement no later than May 31, 2026, as provided in the Agreement.

29. The Commission directs PJM to allocate the disgorgement funds as set forth in the Agreement.

The Commission orders:

The attached Stipulation and Consent Agreement is hereby approved without modification.

By the Commission.

(S E A L)

Debbie-Anne A. Reese,
Secretary.

³ *Enforcement of Statutes, Orders, Rules, and Regulations*, Revised Policy Statement on Penalty Guidelines, 132 FERC ¶ 61,216 (2010).

⁴ *Id.*

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

Cordova Energy Company, LLC

Docket No. IN25-8-000

STIPULATION AND CONSENT AGREEMENT

I. INTRODUCTION

1. The Office of Enforcement (Enforcement) of the Federal Energy Regulatory Commission (Commission) and Cordova Energy Company, LLC (Cordova Energy) enter into this Stipulation and Consent Agreement (Agreement) to resolve a nonpublic, preliminary investigation (the Investigation) conducted by Enforcement pursuant to Part 1b of the Commission's regulations, 18 C.F.R. Part 1b (2025). The Investigation examined whether Cordova Energy, through its offers into PJM and its submissions of Generating Availability Data System (GADS) data in PJM's electronic GADS submission program (eGADS), violated the PJM Interconnection, L.L.C. (PJM) Open Access Transmission Tariff (Tariff) or Commission regulations from January 1, 2020 to September 30, 2023 (Relevant Period).

2. Cordova Energy stipulates to the facts in Section II and admits the violations in Section III. Cordova Energy agrees to: (a) pay a civil penalty of \$370,000 to the United States Treasury; (b) disgorge a total of \$1,964,436 plus interest as set forth below; and (c) be subject to compliance monitoring as provided more fully below.

II. STIPULATIONS

Enforcement and Cordova Energy hereby stipulate and agree to the following facts.

3. Cordova Energy owns the Cordova Energy Center (Cordova), which is a combined-cycle gas turbine power plant located in Rock Island County, Illinois. Cordova is a Capacity Resource in PJM, consisting of two natural gas-fired combustion turbine units and one steam turbine unit.

4. PJM administers a capacity market in which eligible resources participate in a series of auctions to provide a certain number of megawatts of capacity for a delivery year in the future. A resource whose capacity clears these auctions commits to certain obligations, as set forth in the PJM Tariff and PJM Operating Agreement, in exchange for a monthly capacity payment.

5. One obligation, referred to as the "must offer requirement," requires that PJM capacity resources offer available capacity into PJM's energy markets. Specifically, pursuant to Attachment K, Appendix, § 1.10.1A(d) of the PJM Tariff, a capacity resource must offer into the PJM energy markets its full Installed Capacity (ICAP) equivalent of

its cleared Unforced Capacity (UCAP) commitment, unless the resource declares an outage or derate.¹

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9. Cordova Energy's inaccurate or missing eGADS data submissions resulted in capacity market overpayments of \$1,668,874 for the 2021/2022 to the 2024/2025 delivery years and will result in a capacity market overpayment of \$295,562 during the 2025/2026 delivery year.

10. Enforcement opened the Investigation upon receiving a referral from the PJM Independent Market Monitor (IMM).

11. Cordova Energy fully cooperated with Enforcement during the Investigation.

¹ UCAP is the "megawatt value of a capacity resource in the PJM Capacity Market. For generating unit[s], the unforced capacity value is equal to installed capacity of unit multiplied by (1 - unit's EFORD)." See "PJM Glossary," *PJM*, <https://www.pjm.com/Glossary.aspx> (accessed April 24, 2025). ICAP is a "megawatt value based on the summer net dependable capability of a unit and within the capacity interconnection right limits of the bus to which it is connected." *Id.*

III. VIOLATIONS

12. Enforcement determined that, during the Relevant Period, Cordova Energy violated provisions of the PJM Tariff and 18 C.F.R. §§ 35.41(a) and (b) in connection with its energy offers and eGADS submissions to PJM.

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IV. REMEDIES AND SANCTIONS

20. For purposes of settling any and all claims, civil and administrative disputes and proceedings arising from or related to Cordova Energy’s conduct evaluated in Enforcement’s Investigation, Cordova Energy agrees with the facts as stipulated in Section II of this Agreement and admits the violations described in Section III of this Agreement. Cordova Energy further agrees to undertake obligations set forth in the following paragraphs.

A. Civil Penalty

21. Cordova Energy agrees to pay a civil penalty of \$370,000 to the United States Treasury, by wire transfer, within ten (10) business days after the Effective Date of this Agreement, as defined herein.

B. Disgorgement

22. Cordova Energy agrees to pay disgorgement within ten (10) business days of the Effective Date of this Agreement to PJM in the amount of \$1,668,874 plus interest for the delivery years 2021/2022 through 2024/2025, to be allocated by PJM in its discretion for the benefit of PJM customers and upon approval by Enforcement of PJM’s plan for doing so. Cordova Energy agrees to pay the balance of the total disgorgement in the amount of \$295,562 to PJM by May 31, 2026.

C. Compliance

23. Cordova Energy shall make annual compliance monitoring reports to Enforcement for two years following the Effective Date of this Agreement. The first report shall be submitted no later than ten (10) business days after the first anniversary of the Effective Date. The second annual compliance monitoring report shall be submitted one year from

the date of the first report. After the receipt of the second annual report, Enforcement may require Cordova Energy to submit reports for one additional year.

24. Each compliance monitoring report shall: (1) identify any known violations of Commission regulations that occurred during the applicable period, including a description of the nature of the violation and what steps were taken to rectify the situation; (2) describe all compliance measures and procedures Cordova Energy instituted or modified during the reporting period related to compliance with Commission regulations; and (3) describe all Commission-related compliance training that Cordova Energy administered during the reporting period, including the dates such training occurred, the topics covered, and the procedures used to confirm which personnel attended.

25. Each compliance monitoring report shall also include an affidavit executed by an officer of Cordova Energy stating that it is true and accurate to the best of his/her knowledge.

26. Upon request by Enforcement, Cordova Energy shall provide to Enforcement documentation supporting the contents of its reports.

V. TERMS

27. The “Effective Date” of this Agreement shall be the date on which the Commission issues an order approving this Agreement without material modification. When effective, this Agreement shall resolve the matters specifically addressed herein that arose on or before the Effective Date as to Cordova Energy and any affiliated entity, and their respective agents, officers, directors, or employees, both past and present.

28. Commission approval of this Agreement without material modification shall release Cordova Energy and forever bar the Commission from holding Cordova Energy, any affiliated entity, any successor in interest, and their respective agents, officers, directors, or employees, both past and present, liable for any and all administrative or civil claims arising out of the conduct covered by the Investigation, including conduct addressed and stipulated to in this Agreement, which occurred on or before the Agreement’s Effective Date.

29. Failure by Cordova Energy to make the disgorgement or civil penalty payments, or to comply with the compliance obligations agreed to herein, or any other provision of this Agreement, shall be deemed a violation of a final order of the Commission issued pursuant to the Federal Power Act (FPA), 16 U.S.C. §792, *et seq.*, and may subject Cordova Energy to additional action under the enforcement provisions of the FPA.

30. If Cordova Energy does not make the required civil penalty and disgorgement payments described above within the times agreed by the parties, interest will be calculated pursuant to 18 C.F.R. § 35.19a(a)(2)(iii)(A), (B) from the date that payment is

due, in addition to the penalty specified above and any other enforcement action and penalty that the Commission may take or impose.

31. This Agreement binds Cordova Energy and its agents, successors, and assignees. This Agreement does not create any additional or independent obligations on Cordova Energy, or any affiliated entity, its agents, officers, directors, or employees, other than the obligations identified in this Agreement.

32. The signatories to this Agreement agree that they enter into the Agreement voluntarily and that, other than the recitations set forth herein, no tender, offer or promise of any kind by any member, employee, officer, director, agent or representative of Enforcement or Cordova Energy has been made to induce the signatories or any other party to enter into the Agreement.

33. Unless the Commission issues an order approving the Agreement in its entirety and without material modification, the Agreement shall be null and void and of no effect whatsoever, and neither Enforcement nor Cordova Energy shall be bound by any provision or term of the Agreement, unless otherwise agreed to in writing by Enforcement and Cordova Energy.

34. In connection with the civil penalty provided for herein, Cordova Energy agrees that the Commission's order approving the Agreement without material modification shall be a final and unappealable order assessing a civil penalty under section 316A(b) of the FPA, 16 U.S.C. § 825o-1(b). Cordova Energy waives findings of fact and conclusions of law, rehearing of any Commission order approving the Agreement without material modification, and judicial review by any court of any Commission order approving the Agreement without material modification.

35. This Agreement can be modified only if in writing and signed by Enforcement and Cordova Energy, and any modifications will not be effective unless approved by the Commission.

36. Each of the undersigned warrants that he or she is an authorized representative of the entity designated, is authorized to bind such entity, and accepts the Agreement on the entity's behalf.

37. The undersigned representative of Cordova Energy affirms that he or she has read the Agreement, that all of the matters set forth in the Agreement are true and correct to the best of his or her knowledge, information and belief, and that he or she understands that the Agreement is entered into by Enforcement in express reliance on those representations.

38. This Agreement is executed in duplicate, each of which so executed shall be deemed to be an original.

Agreed to and Accepted:

JANEL
BURDICK

Digitally signed by
JANEL BURDICK
Date: 2025.09.02
15:07:03 -04'00'

Janel Burdick
Director, Office of Enforcement
Federal Energy Regulatory Commission

Date: _____


Mark Warden
Senior Vice President
Cordova Energy Company, LLC

Date: 07/14/2025

Document Content(s)

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